

# **Exhibit B**

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

\_\_\_\_\_  
)  
Charles Baird and Lauren )  
Slayton, Individually, and on )  
behalf of all others similarly )  
situated, and on behalf of the )  
BlackRock Retirement Savings )  
Plan, )  
)  
Plaintiffs, )  
vs. ) No. 17-cv-01892-HSG  
BlackRock Institutional Trust )  
Company, N.A., et al., )  
)  
Defendants. )  
\_\_\_\_\_

VIDEOTAPED DEPOSITION OF CHARLES "CHAZ" ROBERT BAIRD  
San Francisco, California  
Wednesday, November 7, 2018  
Volume I

Reported by:  
CATHERINE A. RYAN, RMR, CRR  
CSR No. 8239  
Job No. 3107164

VERITEXT LEGAL SOLUTIONS  
MID-ATLANTIC REGION  
1250 Eye Street NW - Suite 350  
Washington, D.C. 20005

<p style="text-align: right;">Page 70</p> <p>1 Q Have you been involved in any of the</p> <p>2 decisions regarding what types of discovery to seek</p> <p>3 in this lawsuit?</p> <p>4 MS. WASOW: Objection. Calls for a legal</p> <p>5 conclusion.</p> <p>6 THE WITNESS: I don't believe so.</p> <p>7 BY MR. McCARTHY:</p> <p>8 Q Okay. Did you have any role in the</p> <p>9 drafting of any of the motions that were filed by</p> <p>10 your counsel in this litigation?</p> <p>11 MS. WASOW: Object to the form.</p> <p>12 THE WITNESS: No.</p> <p>13 BY MR. McCARTHY:</p> <p>14 Q Okay. Were you involved in the decision</p> <p>15 as to which parties to name as defendants in this</p> <p>16 case?</p> <p>17 MS. WASOW: Again, I'd caution the witness</p> <p>18 not to reveal the contents of any conversations with</p> <p>19 counsel.</p> <p>20 THE WITNESS: Not to my knowledge.</p> <p>21 BY MR. McCARTHY:</p> <p>22 Q Okay. Without going into your</p> <p>23 communications with counsel, were you involved in</p> <p>24 the decision for Ms. Slayton to join the case as a</p> <p>25 co-defendant?</p>	<p style="text-align: right;">Page 72</p> <p>1 MS. WASOW: Object to the form.</p> <p>2 THE WITNESS: No.</p> <p>3 BY MR. McCARTHY:</p> <p>4 Q Do you understand that you may be required</p> <p>5 to testify if this case goes to trial?</p> <p>6 A Yes.</p> <p>7 MR. McCARTHY: Okay. I am going to hand</p> <p>8 you a document which I believe is going to be marked</p> <p>9 Exhibit 511. That may be the only one I get right.</p> <p>10 (Exhibit 511 was marked for</p> <p>11 identification by the court reporter.)</p> <p>12 MS. WASOW: Thank you.</p> <p>13 BY MR. McCARTHY:</p> <p>14 Q Mr. Baird, I want to explain that if you</p> <p>15 look at this document, you'll notice that it's --</p> <p>16 this exhibit is actually two documents. There is a</p> <p>17 -- the first document with the caption is Defendant</p> <p>18 BlackRock, Inc.'s First Set of Requests for</p> <p>19 Production and Documents to Charles Baird. And then</p> <p>20 about ten pages in there is Plaintiffs' Objections</p> <p>21 and Responses to Defendants' Request for Production.</p> <p>22 MS. WASOW: Did you mean to produce a copy</p> <p>23 that says "Privileged and Confidential Attorney Work</p> <p>24 Product 8/21/2017 Discussion Draft" at the top of</p> <p>25 the first page?</p>
<p style="text-align: right;">Page 71</p> <p>1 MS. WASOW: Object to the form.</p> <p>2 THE WITNESS: No.</p> <p>3 MS. WASOW: Sorry. I think you mean</p> <p>4 co-plaintiff.</p> <p>5 MR. McCARTHY: Co-plaintiff. What did I</p> <p>6 say? "Co-defendant"?</p> <p>7 MS. WASOW: You said "co-defendant."</p> <p>8 MR. McCARTHY: I apologize.</p> <p>9 Q I assume the answer is still "No"?</p> <p>10 A (Witness nods head.)</p> <p>11 Q Okay.</p> <p>12 A Yes, correct.</p> <p>13 MS. WASOW: Just trying to make a clean</p> <p>14 record.</p> <p>15 MR. McCARTHY: I do appreciate it.</p> <p>16 Q Who will make decisions in this case going</p> <p>17 forward: You or your lawyers?</p> <p>18 MS. WASOW: Objection. Calls for</p> <p>19 speculation.</p> <p>20 THE WITNESS: I'd like to think it's a</p> <p>21 joint effort.</p> <p>22 BY MR. McCARTHY:</p> <p>23 Q Okay. As you sit here today, can you</p> <p>24 identify any decision in the case so far in which</p> <p>25 you have had an active role?</p>	<p style="text-align: right;">Page 73</p> <p>1 MR. McCARTHY: I do not think that I did,</p> <p>2 although I believe it's identical, but, you know</p> <p>3 something? Let me be -- in an abundance of caution,</p> <p>4 may I see the exhibit?</p> <p>5 MS. WASOW: Hand it -- hand it back to</p> <p>6 him.</p> <p>7 THE WITNESS: Sure.</p> <p>8 MR. McCARTHY: I'm going to remove those</p> <p>9 pages, and I thank counsel.</p> <p>10 MS. WASOW: You're welcome.</p> <p>11 MR. McCARTHY: As I said before, it's my</p> <p>12 understanding that this is identical to the</p> <p>13 discovery that was served.</p> <p>14 MS. WASOW: You probably need to have the</p> <p>15 court reporter re-mark it.</p> <p>16 MR. McCARTHY: I'm afraid the Certificate</p> <p>17 of Service will have to remain since it was produced</p> <p>18 double-sided, but -- yeah.</p> <p>19 MS. WASOW: You keep that one. Thank you.</p> <p>20 BY MR. McCARTHY:</p> <p>21 Q So, Mr. Baird, I'm going to direct you to</p> <p>22 what is now the second page of the exhibit.</p> <p>23 Have you ever seen this document before?</p> <p>24 A I don't believe so.</p> <p>25 Q Okay. Do you have an understanding that</p>

<p style="text-align: right;">Page 110</p> <p>1 THE WITNESS: My investment style changes</p> <p>2 over time, so it would -- if you were going to ask</p> <p>3 me as of my perspective today, I'd say I have a</p> <p>4 pretty healthy risk appetite.</p> <p>5 BY MR. McCARTHY:</p> <p>6 Q So as we sit here today, you have a</p> <p>7 healthy risk appetite. And why is that?</p> <p>8 A I'm a gambling man.</p> <p>9 Q Okay. And is your healthy risk appetite</p> <p>10 related to any expectation of a relationship between</p> <p>11 risk and potential reward?</p> <p>12 A There's always a relationship between risk</p> <p>13 and reward.</p> <p>14 Q What is that relationship?</p> <p>15 A I believe it can be summed with the</p> <p>16 phrase, "high risk, high reward."</p> <p>17 Q And is it also fair to say that low risk</p> <p>18 usually equates to low reward?</p> <p>19 A That's a fair statement.</p> <p>20 Q Okay. So as we sit here today, you're</p> <p>21 willing to tolerate a very high level of risk in</p> <p>22 order to get some potentially very high level of</p> <p>23 performance?</p> <p>24 A Correct.</p> <p>25 Q Okay. Recognizing that you could also</p>	<p style="text-align: right;">Page 112</p> <p>1 A Yes, very much so.</p> <p>2 Q Okay. Is that an -- how important a</p> <p>3 factor is that for you in your decision-making?</p> <p>4 A I'm quite passionate about it.</p> <p>5 MR. McCARTHY: Okay. May I ask the court</p> <p>6 reporter to read back the response when he first</p> <p>7 mentioned the warm and fuzzy feelings.</p> <p>8 (Record read by the reporter as follows:</p> <p>9 "THE WITNESS: If I'm investing in</p> <p>10 companies, I want to -- you know, I have</p> <p>11 to have a warm and fuzzy feeling about the</p> <p>12 company. I want to make sure that, you</p> <p>13 know, they have long-term potential.")</p> <p>14 BY MR. McCARTHY:</p> <p>15 Q Okay. Mr. Baird, what do you mean by</p> <p>16 "long-term potential"?</p> <p>17 A Mostly that I feel that they have sound</p> <p>18 basis in their -- both their financials, their</p> <p>19 leadership and their overall mission.</p> <p>20 Q Are you familiar with the concept of a</p> <p>21 growth investment?</p> <p>22 A Yes, I am.</p> <p>23 Q Okay. And I believe that is in contrast</p> <p>24 to a value investment, growth and value.</p> <p>25 A There's semantics in play there, but</p>
<p style="text-align: right;">Page 111</p> <p>1 have a high level of underperformance?</p> <p>2 MS. WASOW: Object to the form.</p> <p>3 THE WITNESS: Yes.</p> <p>4 BY MR. McCARTHY:</p> <p>5 Q In fact, you might lose all the value or a</p> <p>6 substantial amount of the value by taking a risky</p> <p>7 investment option?</p> <p>8 A That's true with most investment vehicles</p> <p>9 even though it's considered low risk.</p> <p>10 Q Mm-hmm. So what other factors are</p> <p>11 important to you when making investment decisions?</p> <p>12 MS. WASOW: Object to the form.</p> <p>13 THE WITNESS: If I'm investing in</p> <p>14 companies, I want to -- you know, I have to have a</p> <p>15 warm and fuzzy feeling about the company. I want to</p> <p>16 make sure that, you know, they have long-term</p> <p>17 potential.</p> <p>18 BY MR. McCARTHY:</p> <p>19 Q Could you explain further what you mean by</p> <p>20 "warm and fuzzy" feelings?</p> <p>21 A Yes. Essentially, that they're either</p> <p>22 bettering humanity or bettering the planet,</p> <p>23 environmental reasons, humanitarian reasons.</p> <p>24 Q So there's a moral element to your</p> <p>25 investment choices?</p>	<p style="text-align: right;">Page 113</p> <p>1 overall ...</p> <p>2 Q Okay. But is that what you -- is that</p> <p>3 related to your factor that you're considering when</p> <p>4 you talk about a strong leadership and potential</p> <p>5 longevity?</p> <p>6 MS. WASOW: Object to the form.</p> <p>7 THE WITNESS: No. It's a little harder to</p> <p>8 put your finger on -- on what I mean by that.</p> <p>9 There's -- there's an element of personality within</p> <p>10 the leadership. There's an element of past success,</p> <p>11 for instance, just to give a couple examples.</p> <p>12 BY MR. McCARTHY:</p> <p>13 Q Is it fair to say that it's a kind of</p> <p>14 subjective decision-making on your part?</p> <p>15 A Fair.</p> <p>16 Q Okay. What other considerations are at</p> <p>17 play when you decide -- when you make your</p> <p>18 investment choices?</p> <p>19 A Company fundamentals, their track record,</p> <p>20 as a couple of examples. There's a number of</p> <p>21 analytics that go into it, of course.</p> <p>22 Q Without going too deeply into it, could</p> <p>23 you explain a little bit more about what you mean by</p> <p>24 "company fundamentals"?</p> <p>25 A Yeah, their books, profit-loss statements,</p>

<p style="text-align: right;">Page 166</p> <p>1 Q And why do you characterize them as</p> <p>2 informal?</p> <p>3 A They were -- they were done over the phone</p> <p>4 just as -- as part of the whole QDRO proceedings.</p> <p>5 Q Okay. Just so I clarify, was the</p> <p>6 distribution -- did the -- your distribution take</p> <p>7 place at the same time that money was taken out as</p> <p>8 part of your wife's share of the marital property --</p> <p>9 your former wife's?</p> <p>10 A It was roughly the same time.</p> <p>11 Q Okay. So was the at ML representatives</p> <p>12 giving you any advice -- any investment advice about</p> <p>13 your decision to remove the funds?</p> <p>14 A No.</p> <p>15 Q Was it mostly sort of logistical</p> <p>16 information about how to effectuate the</p> <p>17 distribution?</p> <p>18 A And some expectations around the QDRO,</p> <p>19 yeah, administration.</p> <p>20 Q So this may have been covered by our</p> <p>21 earlier testimony, but have you ever spoken to a</p> <p>22 financial advisor about your participation in the</p> <p>23 BlackRock 401K plan?</p> <p>24 MS. WASOW: Objection. Asked and</p> <p>25 answered.</p>	<p style="text-align: right;">Page 168</p> <p>1 MS. WASOW: Object to the form.</p> <p>2 THE WITNESS: Yeah. Kind of like end user</p> <p>3 licensing requirements.</p> <p>4 BY MR. McCARTHY:</p> <p>5 Q Do you have any idea what information --</p> <p>6 well, let me strike that.</p> <p>7 I take it, therefore, that you do not have</p> <p>8 any clear idea of what information would have been</p> <p>9 in those disclosures?</p> <p>10 MS. WASOW: Object to the form.</p> <p>11 THE WITNESS: Fair statement.</p> <p>12 BY MR. McCARTHY:</p> <p>13 Q Okay. I'd like to show you a document</p> <p>14 which was previously introduced in a prior</p> <p>15 deposition as Exhibit 504.</p> <p>16 THE VIDEOGRAPHER: 504.</p> <p>17 MR. McCARTHY: Counsel, you still have it.</p> <p>18 I'm not giving it back. I'm keeping it.</p> <p>19 Q Do you recall ever seeing this document</p> <p>20 before?</p> <p>21 A Not with certainty.</p> <p>22 Q Okay. Do you recall receiving documents</p> <p>23 like this during your time at BlackRock?</p> <p>24 A Yes.</p> <p>25 Q Okay. Did you remember receiving them on</p>
<p style="text-align: right;">Page 167</p> <p>1 THE WITNESS: No.</p> <p>2 BY MR. McCARTHY:</p> <p>3 Q Okay. While you were still at BlackRock,</p> <p>4 did you receive any disclosures or other information</p> <p>5 about the 401K plan?</p> <p>6 MS. WASOW: Objection. Asked and</p> <p>7 answered.</p> <p>8 THE WITNESS: I don't recall specifically</p> <p>9 information regarding disclosures.</p> <p>10 BY MR. McCARTHY:</p> <p>11 Q Do you recall any disclosures?</p> <p>12 A Not specifically.</p> <p>13 Q Do you recall any disclosures generally?</p> <p>14 A I'm guessing they -- there was some</p> <p>15 legalese that I ignored in the statements that may</p> <p>16 have contained disclosures.</p> <p>17 Q Well, you know, I get nervous when you say</p> <p>18 "I'm guessing."</p> <p>19 Do you recall seeing legalese and ignoring</p> <p>20 it?</p> <p>21 A Yes. I think that's pretty typical with</p> <p>22 statements.</p> <p>23 Q Okay. So I take it that, to the extent</p> <p>24 you received disclosures that looked like legalese</p> <p>25 to you, that you did not read them?</p>	<p style="text-align: right;">Page 169</p> <p>1 a regular basis?</p> <p>2 A Yes. I remember receiving them on an</p> <p>3 annual basis.</p> <p>4 Q Okay. Did you used to read them?</p> <p>5 A I would describe it as skimming through</p> <p>6 them.</p> <p>7 Q Okay. Can you -- can I direct your</p> <p>8 attention to page 5, which has the Bates number</p> <p>9 BAIRD_0046007. As you can see, this is a page that</p> <p>10 relates, at least in part, to the retirement plan.</p> <p>11 Do you recall skimming through this</p> <p>12 portion of these annual books?</p> <p>13 A I don't recall specifically this</p> <p>14 particular page.</p> <p>15 Q Okay. Do you see the -- I'd like to</p> <p>16 direct your attention to the first paragraph in the</p> <p>17 second column. It says in the middle of the</p> <p>18 paragraph: "Some of the BlackRock Retirement</p> <p>19 Savings Plan investment options are offered to you</p> <p>20 as collective trust funds with no investment</p> <p>21 management fees."</p> <p>22 And there's a footnote and then it says:</p> <p>23 "This is a significant advantage to our plan."</p> <p>24 Do you recall seeing a statement like that</p> <p>25 in the annual reports that you would have received</p>

<p style="text-align: right;">Page 226</p> <p>1 MS. WASOW: Objection to form.</p> <p>2 THE WITNESS: I'm not sure what you mean</p> <p>3 by "series of funds," but, essentially, I was</p> <p>4 looking to hedge my bets.</p> <p>5 BY MR. McCARTHY:</p> <p>6 Q Okay. Did you place any more attention</p> <p>7 into the details of the BlackRock Total Return Fund</p> <p>8 than you did for the other options that you invested</p> <p>9 in at that time?</p> <p>10 A To the best of my recollection, my simple</p> <p>11 motivation was to spread out the money amongst as</p> <p>12 many funds as possible.</p> <p>13 Q Okay. Do you have any criticism with</p> <p>14 regard to the BlackRock Total Return Fund?</p> <p>15 MS. WASOW: Object to the form.</p> <p>16 THE WITNESS: Not off the top of my head,</p> <p>17 no.</p> <p>18 BY MR. McCARTHY:</p> <p>19 Q Okay. At the time that you decided to</p> <p>20 invest in these, I think, nine funds -- we already</p> <p>21 talked about your objective of diversifying.</p> <p>22 Did you look at what the expense ratios</p> <p>23 were of the funds you were choosing?</p> <p>24 A I don't recall specifics on the expense</p> <p>25 ratios.</p>	<p style="text-align: right;">Page 228</p> <p>1 BY MR. McCARTHY:</p> <p>2 Q Okay. Were you aware that in 2016 the</p> <p>3 BlackRock Plan replaced this version of the Total</p> <p>4 Return Fund with a CTF version of that fund?</p> <p>5 MS. WASOW: Object to the form.</p> <p>6 THE WITNESS: I don't recall being aware</p> <p>7 of that.</p> <p>8 BY MR. McCARTHY:</p> <p>9 Q Okay. Would that -- if you were aware</p> <p>10 that the -- in 2016 that the BlackRock Total Return</p> <p>11 Fund was now being offered as a CTF version with a</p> <p>12 expense ratio of 2 basis points instead of 90, would</p> <p>13 that have led you to invest in that fund in 2016?</p> <p>14 MS. WASOW: Objection to the form.</p> <p>15 THE WITNESS: Not in and of itself.</p> <p>16 BY MR. McCARTHY:</p> <p>17 Q Okay. Is that because in 2016 you were</p> <p>18 pursuing a different investment strategy?</p> <p>19 A That's one component of it, yes.</p> <p>20 Q Okay. What are other components of it?</p> <p>21 A Again, it has to do with the -- the</p> <p>22 quality of the -- the fund performance over time,</p> <p>23 expected returns, my own gut feelings towards the</p> <p>24 fund strategy amongst -- those are the things I can</p> <p>25 think of off the top of my head.</p>
<p style="text-align: right;">Page 227</p> <p>1 Q Okay. Based on your usual practice, do</p> <p>2 you think you would have looked at that?</p> <p>3 A Based on what I can recall about my</p> <p>4 objective in terms of investing, I don't think I was</p> <p>5 too concerned about expense ratios.</p> <p>6 Q Okay. As we sit here today, do you think</p> <p>7 that an expense ratio of 95 basis points is</p> <p>8 unreasonable to charge in relation to the BlackRock</p> <p>9 -- in relation to a fund like the BlackRock Total</p> <p>10 Return Fund?</p> <p>11 MS. WASOW: Objection. Calls for a legal</p> <p>12 conclusion. Calls for expert opinion.</p> <p>13 THE WITNESS: It may or may not depending</p> <p>14 on a number of factors that I'm not aware -- a</p> <p>15 number of -- of, you know, measures of quality that,</p> <p>16 you know, I -- that I can't really speak of in any</p> <p>17 intelligent detail at this point.</p> <p>18 BY MR. McCARTHY:</p> <p>19 Q Okay. So at this point you can't say one</p> <p>20 way or another whether it's a fair price or not?</p> <p>21 A At this point, no.</p> <p>22 Q Okay. For all you know, as we sit here</p> <p>23 today, it could be?</p> <p>24 MS. WASOW: Object to the form.</p> <p>25 THE WITNESS: It could be.</p>	<p style="text-align: right;">Page 229</p> <p>1 Q In 2016 did you have an opinion about the</p> <p>2 performance of the BlackRock Total Return Fund?</p> <p>3 A Not that I can recall.</p> <p>4 Q Okay. Did you know what it's -- do you</p> <p>5 recall knowing, really, anything about the total</p> <p>6 return fund at that time?</p> <p>7 MS. WASOW: Object to the form.</p> <p>8 THE WITNESS: Not any specifics.</p> <p>9 BY MR. McCARTHY:</p> <p>10 Q Okay. And did you have a gut feeling with</p> <p>11 regard to the BlackRock Total -- Total Return Fund</p> <p>12 in 2016?</p> <p>13 MS. WASOW: Object to the form.</p> <p>14 THE WITNESS: Not that I recall.</p> <p>15 BY MR. McCARTHY:</p> <p>16 Q Well, in 2016 you were fully invested in</p> <p>17 the BlackRock Russell 1000 Fund Class F?</p> <p>18 A (Witness nods head.)</p> <p>19 Q Did you have a gut feeling about the</p> <p>20 BlackRock Russell 1000 Fund Class F at that time?</p> <p>21 A Not about the fund itself, only about the</p> <p>22 under- -- underlying index that it was attempting to</p> <p>23 reproduce.</p> <p>24 Q Okay. And was that a positive feeling?</p> <p>25 A Yes.</p>

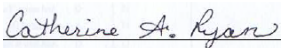
<p style="text-align: right;">Page 290</p> <p>1 try to sort of -- well --</p> <p>2 MS. WASOW: Can we go off the record for a</p> <p>3 moment?</p> <p>4 MR. McCARTHY: Sure.</p> <p>5 THE VIDEOGRAPHER: Going off the record.</p> <p>6 The time is 4:51 p.m.</p> <p>7 (Discussion Off the Record.)</p> <p>8 THE VIDEOGRAPHER: Back on the record.</p> <p>9 The time is 4:56 p.m.</p> <p>10 BY MR. McCARTHY:</p> <p>11 Q Mr. Baird, do you have any direct</p> <p>12 knowledge on how or why investment options were</p> <p>13 selected or monitored for the BlackRock Retirement</p> <p>14 Plan?</p> <p>15 A No.</p> <p>16 Q Do you have any direct knowledge about</p> <p>17 what facts the investment committee did or did not</p> <p>18 consider?</p> <p>19 MS. WASOW: Object to the form.</p> <p>20 THE WITNESS: No.</p> <p>21 BY MR. McCARTHY:</p> <p>22 Q Do you have any direct knowledge about the</p> <p>23 impact of securities lending fees on fund</p> <p>24 performance?</p> <p>25 MS. WASOW: Object to the form.</p>	<p style="text-align: right;">Page 292</p> <p>1 options offered in the fund compared to market</p> <p>2 alternatives?</p> <p>3 A No.</p> <p>4 Q Okay. Do you have any personal knowledge</p> <p>5 about how investment expenses were disclosed to plan</p> <p>6 participants?</p> <p>7 MS. WASOW: Object to the form.</p> <p>8 THE WITNESS: No.</p> <p>9 BY MR. McCARTHY:</p> <p>10 Q Okay. Do you have any personal knowledge</p> <p>11 regarding Mercer's role in relation to the plan?</p> <p>12 A It's my understanding that they acted as</p> <p>13 the investment consulting.</p> <p>14 Q What is the basis of that knowledge?</p> <p>15 A Discussion -- I just recently found this</p> <p>16 out within the last few days.</p> <p>17 Q Okay. Is that information that someone</p> <p>18 told you, without going into who told you that</p> <p>19 information?</p> <p>20 A Yes.</p> <p>21 Q Okay. Putting that aside, do you have any</p> <p>22 personal knowledge about Mercer's role in relation</p> <p>23 to the plan?</p> <p>24 MS. WASOW: Object to the form.</p> <p>25 THE WITNESS: No.</p>
<p style="text-align: right;">Page 291</p> <p>1 THE WITNESS: Not directly. Not</p> <p>2 quantifiably.</p> <p>3 BY MR. McCARTHY:</p> <p>4 Q Well, what would be the basis of your</p> <p>5 knowledge?</p> <p>6 A Can you be more specific?</p> <p>7 Q Well, what -- you said that you don't have</p> <p>8 any personal knowledge in a quantifiable sense; is</p> <p>9 that correct?</p> <p>10 A Yes.</p> <p>11 Q Is your testimony that you have personal</p> <p>12 knowledge in a qualitative sense?</p> <p>13 A I'm not sure what you're getting at.</p> <p>14 Q Okay. As we sit here today, do you,</p> <p>15 yourself, know anything about what type of</p> <p>16 securities fees were charged to BlackRock? And just</p> <p>17 to clarify, when I use the term "personal</p> <p>18 knowledge," that does not include something that</p> <p>19 someone had told you. It means something that you,</p> <p>20 yourself, directly perceived.</p> <p>21 MS. WASOW: Object to the form.</p> <p>22 THE WITNESS: I don't think so.</p> <p>23 BY MR. McCARTHY:</p> <p>24 Q Okay. Do you have any personal knowledge</p> <p>25 on -- with regard to the performance of investment</p>	<p style="text-align: right;">Page 293</p> <p>1 BY MR. McCARTHY:</p> <p>2 Q Okay. Do you have any personal knowledge</p> <p>3 about any other allegation in the complaint</p> <p>4 concerning the plan class claims aside from your own</p> <p>5 personal participation in the BlackRock Plan?</p> <p>6 MS. WASOW: Object to the form.</p> <p>7 THE WITNESS: I don't think I understand</p> <p>8 your question.</p> <p>9 MR. McCARTHY: Sure.</p> <p>10 Q I'm trying to figure out which, if any, of</p> <p>11 the allegations in the complaint you have direct</p> <p>12 personal knowledge of as opposed to that being</p> <p>13 information that was told to you or that someone</p> <p>14 else perceived. It could be that you don't have any</p> <p>15 direct knowledge about any of the facts in the</p> <p>16 complaint. But if you do have direct knowledge</p> <p>17 about any of the facts in the complaint, that's what</p> <p>18 I'm trying to find out.</p> <p>19 A Can you clarify "personal knowledge"?</p> <p>20 Q Sure.</p> <p>21 Personal knowledge, once again, would be</p> <p>22 information that you have because you directly</p> <p>23 perceived it, in that you saw it or you spoke with</p> <p>24 one of the key people that are mentioned in the</p> <p>25 complaint and they told you something about it or</p>



<p style="text-align: right;">Page 294</p> <p>1 you were -- you know, you -- you were walking down  2 the hallway and you heard two of the individuals  3 that are defendants in the complaint having a  4 conversation and you overheard that or they wrote to  5 you or you were involved in any of the decisions  6 that are at issue in the -- in the complaint, if you  7 were -- did any work as part of the group that was  8 involved in making decisions about investment  9 decisions, if you were involved in any of those  10 decisions. Those would all be examples of  11 situations of where you would have personal  12 knowledge.  13 If on the other hand, you only know the  14 information because that is what your counsel told  15 you or that is what you've read in a newspaper or,  16 you know, you heard second-hand through somebody  17 else who wasn't one of the direct people that  18 supposedly said something, then that's not personal  19 knowledge.  20 A Okay.  21 MS. WASOW: Object to the form. Object to  22 the definition of personal knowledge. Objection.  23 BY MR. McCARTHY:  24 Q If you --  25 MS. WASOW: Go ahead. You can answer.</p>	<p style="text-align: right;">Page 296</p> <p>1 speculation.  2 THE WITNESS: Yeah. I have no insight on  3 -- on how those firms view BlackRock.  4 BY MR. McCARTHY:  5 Q Okay. Do you have any perception on how  6 investors view BlackRock?  7 A Individual investors or institutional  8 investors?  9 Q Well, individual investors?  10 MS. WASOW: Objection. Calls for  11 speculation.  12 THE WITNESS: I -- I have no knowledge.  13 BY MR. McCARTHY:  14 Q Okay. Do you have any knowledge of what  15 institutional investors think about BlackRock?  16 MS. WASOW: Same objection.  17 THE WITNESS: I think institutional  18 investors pretty much have to get along with  19 BlackRock so --  20 BY MR. McCARTHY:  21 Q Why is that?  22 A They're the biggest -- they're one of the  23 biggest players in the industry. So ...  24 Q Why do you think they're one of the  25 biggest players in the industry?</p>
<p style="text-align: right;">Page 295</p> <p>1 BY MR. McCARTHY:  2 Q Does that -- does that explanation provide  3 you assistance in answering the question?  4 A As described, I have no personal  5 knowledge.  6 Q Okay. How would you describe BlackRock's  7 reputation in the market?  8 MS. WASOW: Object to the form. Vague.  9 THE WITNESS: I'm not sure what you mean  10 by "market."  11 BY MR. McCARTHY:  12 Q Well, what does that word mean to you?  13 A I'm not sure if it refers to competitors,  14 to -- to other financial institutions besides  15 competitors. Perhaps the -- the employees employed  16 by BlackRock.  17 Q Well, let's first ask: How would you  18 describe BlackRock's reputation among its  19 competitors?  20 A Large buy-side firm.  21 Q Okay. Do you think that Vanguard and  22 Schwab, for example, have a positive opinion of  23 BlackRock and their capabilities in the market or a  24 negative opinion?  25 MS. WASOW: Objection. Calls for</p>	<p style="text-align: right;">Page 297</p> <p>1 A They have grown through acquisitions. So  2 they've -- you know, especially with their  3 acquisition of Barclays Global Investors to become  4 the largest money manager in the world. So the --  5 it's hard to play in the markets without dealing  6 with BlackRock.  7 Q Is BlackRock successful in its business?  8 MS. WASOW: Object to the form.  9 THE WITNESS: As measured by revenue and  10 profits, yes.  11 BY MR. McCARTHY:  12 Q Okay. Did -- do you understand BlackRock  13 investment options to be popular in the market among  14 investors?  15 MS. WASOW: Object to the form.  16 THE WITNESS: I have no knowledge on that.  17 BY MR. McCARTHY:  18 Q Okay. If you were told that the BlackRock  19 fund options were popular among institutional  20 investors, would that make it more likely for you to  21 invest in those options?  22 MS. WASOW: Object to the form. Calls for  23 speculation.  24 THE WITNESS: I don't generally base my  25 investment decisions on popularity.</p>



<p style="text-align: right;">Page 306</p> <p>1 precise.</p> <p>2 Q Okay. Do you have any personal knowledge</p> <p>3 regarding BlackRock's management of cash collateral</p> <p>4 received in connection with securities lending?</p> <p>5 MS. WASOW: Object to form.</p> <p>6 THE WITNESS: No.</p> <p>7 BY MR. McCARTHY:</p> <p>8 Q Do you have any personal knowledge of</p> <p>9 BlackRock's disclosures with regards to investments</p> <p>10 of cash collateral?</p> <p>11 MS. WASOW: Object to the form.</p> <p>12 THE WITNESS: No.</p> <p>13 BY MR. McCARTHY:</p> <p>14 Q Do you have any personal knowledge</p> <p>15 regarding BlackRock's conformance with CTI plan</p> <p>16 documents?</p> <p>17 MS. WASOW: Object to the form.</p> <p>18 THE WITNESS: No.</p> <p>19 BY MR. McCARTHY:</p> <p>20 Q Do you have any personal knowledge</p> <p>21 regarding the extent to which other retirement plans</p> <p>22 are informed of or participate in decisions relating</p> <p>23 to the securities lending business of BlackRock?</p> <p>24 MS. WASOW: Object to the form.</p> <p>25 THE WITNESS: No.</p>	<p style="text-align: right;">Page 308</p> <p>1 negotiates with BlackRock?</p> <p>2 MS. WASOW: Object to the form.</p> <p>3 THE WITNESS: I don't know.</p> <p>4 MS. WASOW: Assumes facts not in evidence.</p> <p>5 BY MR. McCARTHY:</p> <p>6 Q Your testimony earlier today was that you</p> <p>7 reviewed the Second Amended Complaint to prepare for</p> <p>8 this deposition?</p> <p>9 A I just, yeah, skimmed it.</p> <p>10 Q Okay. When did you first see that</p> <p>11 document?</p> <p>12 A I don't recall. I do recall receiving it</p> <p>13 shortly after it was filed.</p> <p>14 Q Okay. You did not see it before it was</p> <p>15 filed; is that correct?</p> <p>16 A I don't believe so.</p> <p>17 Q Okay. Did you provide any assistance in</p> <p>18 drafting that complaint?</p> <p>19 MS. WASOW: Objection. Asked and</p> <p>20 answered.</p> <p>21 THE WITNESS: No.</p> <p>22 BY MR. McCARTHY:</p> <p>23 Q Okay. Did you provide any assistance in</p> <p>24 drafting any of the complaints that were filed in</p> <p>25 this case?</p>
<p style="text-align: right;">Page 307</p> <p>1 BY MR. McCARTHY:</p> <p>2 Q Do you have any personal knowledge</p> <p>3 regarding how any retirement plans negotiate with</p> <p>4 BlackRock about compensation?</p> <p>5 A No.</p> <p>6 Q Do you have any personal knowledge</p> <p>7 regarding the returns of short-term investment</p> <p>8 funds?</p> <p>9 MS. WASOW: Object to the form.</p> <p>10 THE WITNESS: No.</p> <p>11 BY MR. McCARTHY:</p> <p>12 Q Okay. Do you have any personal knowledge</p> <p>13 -- knowledge regarding any other allegation in the</p> <p>14 complaint relating to the CTI class claims?</p> <p>15 MS. WASOW: Object to the form.</p> <p>16 THE WITNESS: No.</p> <p>17 BY MR. McCARTHY:</p> <p>18 Q Can you describe the similarities or</p> <p>19 dissimilarities in how the fiduciaries of other</p> <p>20 retirement plans negotiate with BlackRock?</p> <p>21 MS. WASOW: Object to the form.</p> <p>22 THE WITNESS: No.</p> <p>23 BY MR. McCARTHY:</p> <p>24 Q Do you have any knowledge one way or</p> <p>25 another of how any plan -- any plan fiduciary</p>	<p style="text-align: right;">Page 309</p> <p>1 MS. WASOW: Objection. Asked and</p> <p>2 answered.</p> <p>3 THE WITNESS: No.</p> <p>4 MS. WASOW: I think you did this page</p> <p>5 already.</p> <p>6 MR. McCARTHY: Not today.</p> <p>7 MS. WASOW: Sure.</p> <p>8 MR. McCARTHY: What?</p> <p>9 MS. WASOW: Go ahead.</p> <p>10 BY MR. McCARTHY:</p> <p>11 Q Can I show you the document that has been</p> <p>12 previously marked as Exhibit 509?</p> <p>13 A Thanks.</p> <p>14 MR. McCARTHY: I'm sorry. You have it.</p> <p>15 Counsel, would you like a copy?</p> <p>16 MS. WASOW: No, thank you.</p> <p>17 BY MR. McCARTHY:</p> <p>18 Q Mr. Baird, have you ever seen this</p> <p>19 document before?</p> <p>20 A I believe so.</p> <p>21 Q Did you have any involvement in</p> <p>22 investigating or drafting the responses that are in</p> <p>23 this document?</p> <p>24 A I'm not certain how to answer since I'm</p> <p>25 not certain what sort of conversation and --</p>

<p style="text-align: right;">Page 338</p> <p>1 I, the undersigned, a Certified Shorthand  2 Reporter of the State of California, do hereby  3 certify:  4 That the foregoing proceedings were taken  5 before me at the time and place herein set forth;  6 that any witnesses in the foregoing proceedings,  7 prior to testifying, were administered an oath; that  8 a record of the proceedings was made by me using  9 machine shorthand which was thereafter transcribed  10 under my direction; that the foregoing is a true  11 record of the testimony given.  12 Further, that if the foregoing pertains to the  13 original transcript of a deposition in a Federal  14 Case, before completion of the proceedings, review  15 of the transcript [ ] was [ ] was not requested.  16 I further certify that I am neither  17 financially interested in the action nor a relative  18 or employee of any attorney or any party to this  19 action.  20 IN WITNESS WHEREOF, I have this date  21 subscribed my name.  22 Dated: 11/16/18  23  24   25 Catherine A. Ryan, RMR, CRR  CSR No. 8239</p>	<p style="text-align: right;">Page 340</p> <p>1 Baird v. Blackrock  2 Charles "Chaz" Robert Baird  3 E R R A T A  4 -----  5 PAGE LINE CHANGE  6 -----  7 Reason: _____  8 -----  9 Reason: _____  10 -----  11 Reason: _____  12 -----  13 Reason: _____  14 -----  15 Reason: _____  16 -----  17 Reason: _____  18 -----  19 Reason: _____  20 -----  21 Reason: _____  22 -----  23 Reason: _____  24 -----  25 3107164</p>
<p style="text-align: right;">Page 339</p> <p>1 Baird v. Blackrock  2 Charles "Chaz" Robert Baird  3 INSTRUCTIONS TO THE WITNESS  4 Please read your deposition over  5 carefully and make any necessary corrections.  6 You should state the reason in the  7 appropriate space on the errata sheet for any  8 corrections that are made.  9 After doing so, please sign the errata  10 sheet and date it.  11 You are signing same subject to the  12 changes you have noted on the errata sheet,  13 which will be attached to your deposition.  14 It is imperative that you return the  15 original errata sheet to the deposing  16 attorney within thirty (30) days of receipt  17 of the deposition transcript by you. If you  18 fail to do so, the deposition transcript may  19 be deemed to be accurate and may be used in  20 court.  21  22  23  24  25 3107164</p>	<p style="text-align: right;">Page 341</p> <p>1 Baird v. Blackrock  2 Charles "Chaz" Robert Baird  3 ACKNOWLEDGMENT OF DEPONENT  4 I, _____, do  5 hereby certify that I have read the foregoing  6 pages and that the same is a correct  7 transcription of the answers given by  8 me to the questions therein propounded,  9 except for the corrections or changes in form  10 or substance, if any, noted in the attached  11 Errata Sheet.  12  13 _____  14 DATE SIGNATURE  15  16  17  18  19  20  21  22  23  24  25 3107164</p>